

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PURCHASED WATER	)	CASE NO.
ADJUSTMENT FILING OF JESSAMINE-SOUTH	)	2016-00314
ELKHORN WATER DISTRICT	)	

ORDER

On September 8, 2016, Jessamine-South Elkhorn Water District (“Jessamine-South Elkhorn”) submitted an application for approval to adjust its rates pursuant to the purchased water adjustment procedure.<sup>1</sup>

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. Jessamine-South Elkhorn purchases water from the city of Nicholasville and Kentucky-American Water Company (“Kentucky-American”).

2. Kentucky-American notified Jessamine-South Elkhorn on August 24, 2016, that the service-charge portion of its wholesale rate to Jessamine-South Elkhorn would increase from \$686.95 per month to \$749.67 per month, effective August 28, 2016.<sup>2</sup> Kentucky-American’s volumetric rate to Jessamine-South Elkhorn would also increase from \$4.2093 per 1,000 gallons, to \$4.3255 per 1,000 gallons effective at the same time. Jessamine-South Elkhorn proposed to increase the water rates to its

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<sup>1</sup> KRS 278.015; 807 KAR 5:068.

<sup>2</sup> Case No. 2015-00418, *Application of Kentucky-American Water Company for an Adjustment of Rates* (Ky. PSC Order Aug. 23, 2016).

customers effective September 13, 2016, to reflect the increased cost of purchased water.

3. In its application, Jessamine-South Elkhorn proposed a purchased water adjustment factor of \$0.13 per 1,000 gallons. On September 15, 2016, Jessamine-South Elkhorn amended its application revising the proposed purchased water adjustment factor to \$0.14 per 1,000 gallons to reflect a miscalculation in its original application.

4. During the 12 months ended August 5, 2016, Jessamine-South Elkhorn purchased 238,314,296 gallons of water from Kentucky-American and sold 217,356,220 gallons of water. The increase in the cost of purchased water is \$28,444.84, resulting in a purchased water adjustment factor of \$0.14 per 1,000 gallons.

5. The purchased water adjustment factor of \$0.14 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

6. The rates as set forth in Appendix B to this Order are fair, just and reasonable and should be approved for water service rendered by Jessamine-South Elkhorn on and after September 13, 2016.

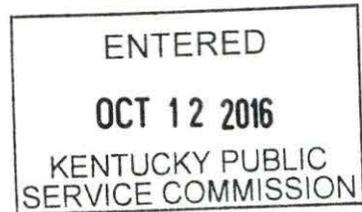
IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.14 per 1,000 gallons is approved.

2. Jessamine-South Elkhorn's proposed rates, as set forth in Appendix B to this Order, are approved for services rendered on and after September 13, 2016.

3. Within 20 days of the date of this Order, Jessamine-South Elkhorn shall file with the Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets showing the rates approved herein.

By the Commission



ATTEST:

  
Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2016-00314 DATED **OCT 12 2016**

	New Rate	Base Rate
Jessamine-South Elkhorn Monthly Service Charge	\$749.67/month <u>X 12</u> \$8,996.04	\$686.95/month <u>X 12</u> \$8,243.40
Purchases in gallons Kentucky-American Volumetric rate	238,314,296 <u>\$4.3255/1,000</u> \$1,030,828.49	238,314,296 <u>\$4.2093/1,000</u> \$1,003,136.37
Total	<u>\$1,039,824.53</u>	<u>\$1,011,379.77</u>
City of Nicholasville Purchases in gallons Volumetric rate	23,962,910 <u>\$2.81/1,000</u> N/C	23,962,910 <u>\$2.81/1,000</u> N/C

Increased water cost \$28,444.76

Increased water cost	\$ 28,444.76
Divided by gallons sold/1,000	<u>217,356,220</u>
Purchased water adjustment factor	\$ 0.1308

or \$ 0.14 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2016-00314 DATED **OCT 12 2016**

The following rates and charges are prescribed for the customers in the area served by Jessamine-South Elkhorn Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

5/8-Inch X 3/4-Inch Meter

First	2,000 Gallons	\$26.56	Minimum Bill
Next	2,000 Gallons	7.63	Per 1,000 Gallons
Next	2,000 Gallons	7.53	Per 1,000 Gallons
Next	10,000 Gallons	7.43	Per 1,000 Gallons
Next	8,000 Gallons	7.33	Per 1,000 Gallons
Over	24,000 Gallons	7.23	Per 1,000 Gallons

1-Inch Meter

First	10,000 Gallons	\$86.60	Minimum Bill
Next	6,000 Gallons	7.43	Per 1,000 Gallons
Next	8,000 Gallons	7.33	Per 1,000 Gallons
Over	24,000 Gallons	7.23	Per 1,000 Gallons

2-Inch Meter

First	24,000 Gallons	\$189.82	Minimum Bill
Over	24,000 Gallons	7.23	Per 1,000 Gallons

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